

## PERAC PRESENTS AT NATIONAL CONFERENCE

Agency's Compliance Counsel touts the success of the groundbreaking Pension Reform Act

By Michael DeVito  
Director of Public Affairs

Attorney Derek Moitoso, Compliance Counsel at PERAC was asked to speak at the National Conference on Public Employee Retirement Systems (NCPERS) Legislative Conference on January 29, 2018 in Washington, DC.

At the Conference Mr. Moitoso spoke about the PERAC proposed reforms of Chapter 176 of the Acts of 2011, *Pension Modernization: Creating a More Sustainable and Affordable Public Employee Retirement Benefit System for the Future*.

In his role as Compliance Counsel, Mr. Moitoso regularly reviews retirement systems in areas of (Continued, page 3)



Compliance Counsel, Derek Moitoso

## PERAC 2017-18 Legislation

H. 19 Receives Favorable Report from the Public Service Committee

By Michael DeVito  
Director of Public Affairs

PERAC submitted three pieces of legislation for the 2017-2018 legislative session: H. 18: An Act repealing Chapter 32, Section 90(G) ¾; H. 19: An Act providing for continuing education credits flexibility (see below), and; H. 20: An Act relative to Chapter 32, Section 15(7) determinations.

**H. 18** sought to repeal an age-related provision in statute. It passed into law as Sections 28 and 141 of Chapter 47 of

the Acts of 2017 and was approved by Governor Charles D. Baker on July 17, 2017.

**H. 19** remains under consideration in the Massachusetts legislature. It was reported favorably by the Joint Committee on Public Service on February 12, 2018 and sent to the House Committee on Steering, Policy and Scheduling. It is on the House calendar as of this writing.

**H. 20** was reported to Study by the Joint Committee on Public Service on February 12, 2018 - effectively ending consideration for this session. (Continued, page 7)

## 10,000 COURSE COMPLETIONS!

PERAC Continuing Education reaches a milestone. See pages 4-5 for more details and see which courses were most popular among members.

### Also In This Issue

- ▶ Changes to the Massachusetts Website Affecting the PERAC Site .....2
- ▶ New PERAC Enrolled Actuary .....3
- ▶ Education Compliance Charts .....4
- ▶ Beacon Hill Update .....6
- ▶ In Memoriam - Joannah M. Quinn .....7

By Natacha Dunker  
Communications Director

As reported in our November, 2017 issue of Pension News, the PERAC website is now under the state website's mass.gov umbrella. As such, we have been slowly transitioning our website to the new format.

The vision of the new mass.gov website is *constituent centered*, and provides users with persistent navigation regardless of which agency, constitutional office, or department they are looking for. While it is great for the infrequent user, we understand it has caused some initial difficulty among our regular site users. For that reason, we have held off fully transitioning the site for as long as possible.

At this time we must make the final changes and fully transition the PERAC website to the new format. The main reason we agreed to remain under the mass.gov system was to stay one step ahead of the rapidly changing technology for web development. The software currently in use by the legacy site (the old format) is no longer being supported by mass.gov and we run the risk of having a non-functioning site if we continue to use those legacy pages in the future. Secondly - technology! While losing our main navigation has been difficult, we gain the advantage of the support of a team of developers who are constantly looking for ways to

improve and keep up with the rapid changes associated with the World Wide Web. They also ensure that our pages are compliant with current accessibility and privacy standards.

You will notice major changes to the layout of board profile pages, with more contact information for members, mobile friendly maps, all while retaining access to all of your reports. For the education section, course locations will be listed on a mobile friendly map for users who would like to use GPS to arrive at their destinations. The employee, retiree, and survivor section has also undergone a major

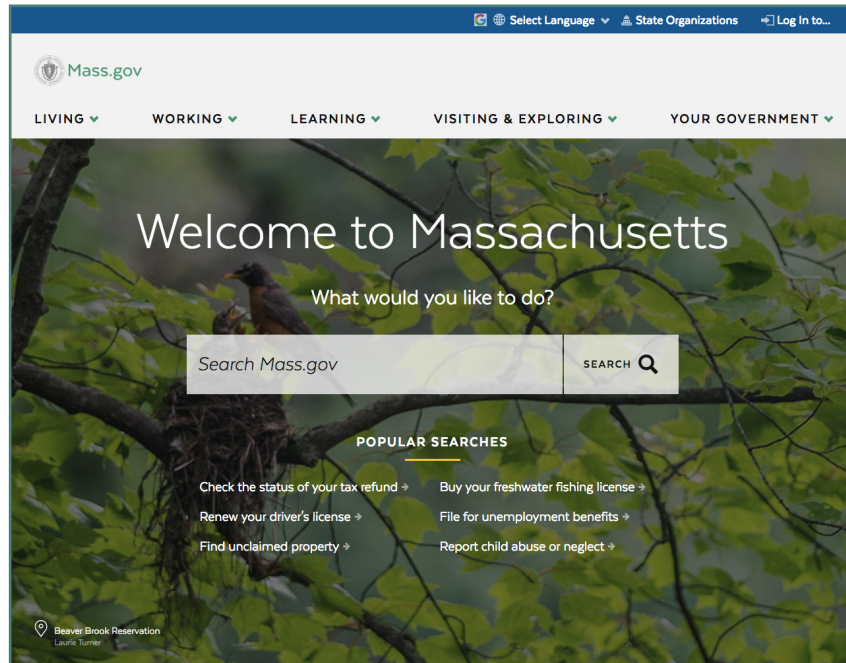
update with several new guides added.

While we have focused on making the navigation of our site as intuitive as possible, if you know what you are looking for the "search" feature is now better than ever, giving you more focused and usable results. Once we make the switch to the new home page, don't be alarmed if you come across a legacy page here and there. It will take time to get to every single page,

but we are confident that the major sections of the site are complete.

Our team has worked hard to make all these changes as user-friendly as possible however, we are not afraid of critique if it means we will end up with a better product in the end! Take a look at our new home page, play around with the site a while, and let us know if you have suggestions for making it work better for you. The home page will remain mass.gov/perac, so you will always be able to find us! ■

Please send all website comments to nadunker@per.state.ma.us



By Michael DeVito  
Director of Public Affairs

**P**ERAC is pleased to announce that there is a new enrolled actuary on its staff!

John Boorack, PERAC's newest actuary, could not have asked for a better year than 2017. He married his wife, Christine, in May. He adopted his daughter, Samantha, in September (on his birthday, no less). He sat for and passed the last two enrolled actuary (EA) exams in May and November, respectively. He then applied for membership with the Joint Board for the Enrollment of Actuaries. His application was accepted in March of this year and John is currently working to meet the qualification standards for the American Academy of Actuaries.

PERAC's Executive Director, Joseph E. Connarton saluted John on his outstanding achievement:

John Boorack has been a valued member of PERAC's Actuarial Team for more than 20 years. During this time he has worked

under the tutelage of the Actuary of the Commonwealth, Jim Lamenza. Chairman Philip Y. Brown, his fellow Commissioners, PERAC's entire staff, and I are delighted at John becoming a member of the American Academy of Actuaries and wish him well as he enters his next 20 years of service at PERAC! From all of us, John, congratulations on a job well-done!

Jim Lamenza added:

This is a well-earned achievement for John. Much of the material on the EA exams is geared for private sector pension practice, and is not applicable for our public sector plans. Understanding the private sector material without working with many of these issues on a daily basis presented a difficult challenge. We are all pleased with his success.



Senior Actuarial Associate, John Boorack

John graduated from Bridgewater State College (now Bridgewater State University) in 1993 with a B.S. in Mathematics. He began his work at PERAC in November 1995. He resides in Abington with his wife and daughter. ■

## PERAC PRESENTS AT NATIONAL CONFERENCE (continued from page 1)

investment, financial disclosure, and education for compliance with state and federal laws.

### Mr. Moitoso's presentation focused on 4 topics:

1. The establishment of an explicit open and competitive procurement process to be followed by retirement boards when soliciting investment, actuarial, legal or accounting services.
2. Board member statements of financial interest and the educational requirements.

3. Vendor disclosures, including any compensation arrangements and conflicts of interest that may exist.
4. And finally, PERAC's previously adopted Placement Agent Policy.

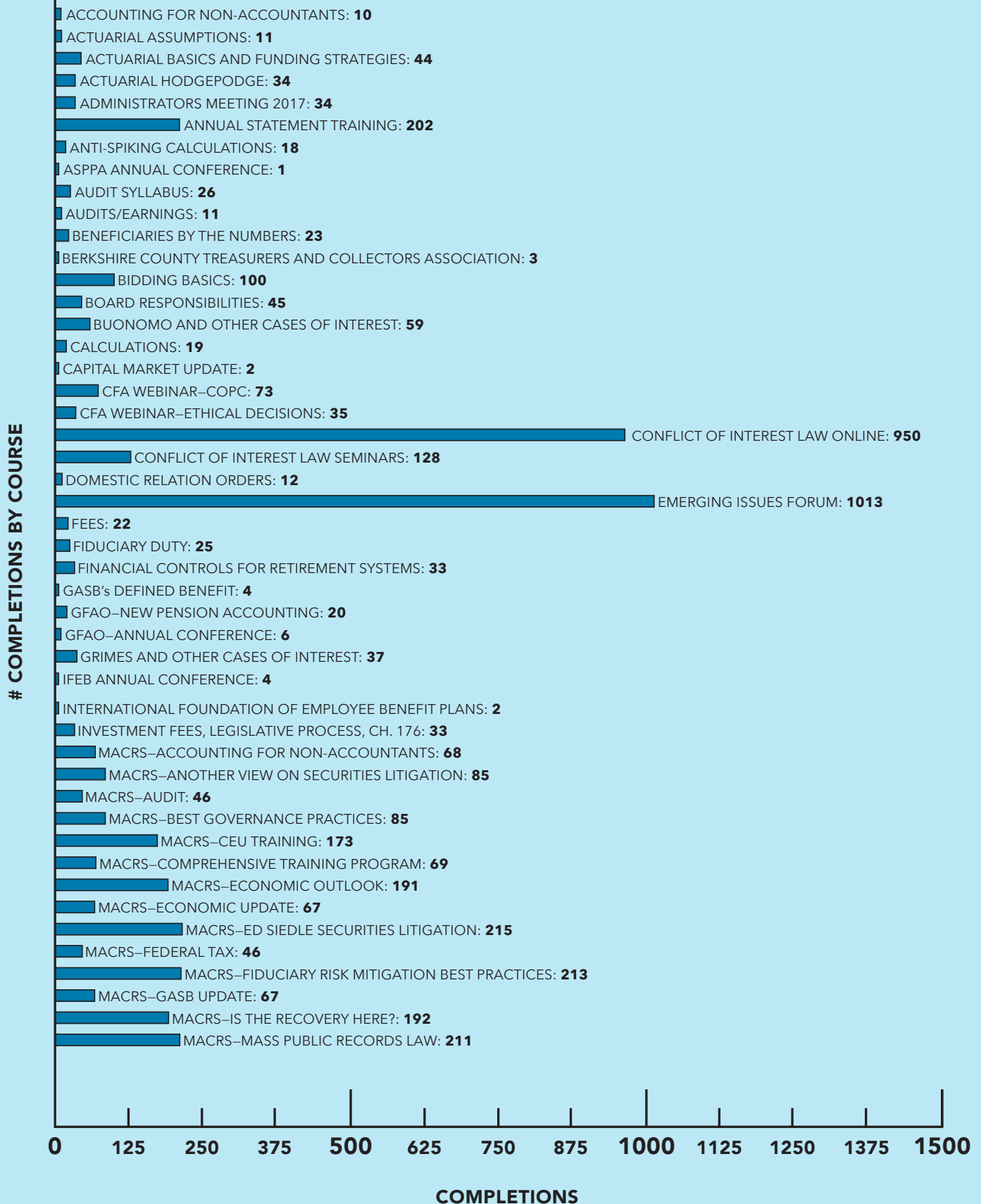
**Mr. Moitoso explained that since Chapter 176 was enacted much progress has been made in implementing its provisions. These include:**

- 544 Procurements Acknowledged by PERAC.
- Retirement Board members have received credit for more than

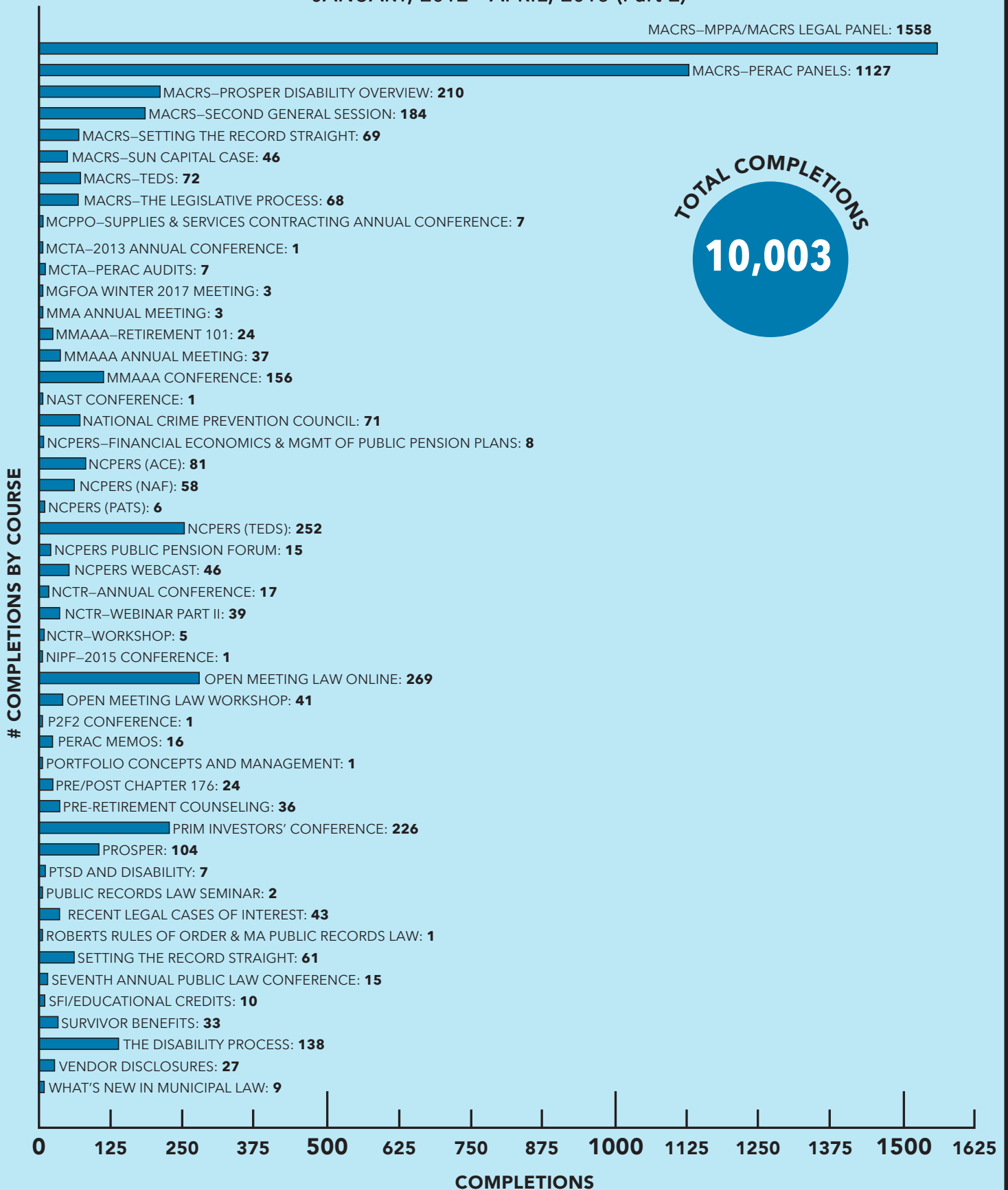
- 10,000 completions of courses, conferences, webinars and online course offerings (see chart on following two pages).
- PERAC employees have spent an average of 75 hours per year teaching courses covering a variety of topics.

The national audience also included members of the PERAC Commission and Massachusetts Retirement Boards. ■

**CONTINUING EDUCATION TRAINING COURSE COMPLETIONS G.L. C. 32, § 20(7)  
BOARD MEMBERS OF MASSACHUSETTS CONTRIBUTORY RETIREMENT SYSTEMS  
JANUARY, 2012 - APRIL, 2018 (Part 1)**



# CONTINUING EDUCATION TRAINING COURSE COMPLETIONS G.L. C. 32, § 20(7) BOARD MEMBERS OF MASSACHUSETTS CONTRIBUTORY RETIREMENT SYSTEMS JANUARY, 2012 - APRIL, 2018 (Part 2)







## BEACON HILL UPDATE: Pension Legislation 2018

---

*By Michael DeVito  
Director of Public Affairs*

The 2017-2018 legislative session has to-date been relatively quiet on the pension front. During the previous decade the General Court legislated several major reforms of the Massachusetts pension system and has placed the system on a sound footing as we near the end of the second decade of the 21st century.

Using a prospective approach, the legislature in Chapter 176 of the Acts of 2011 updated the retirement age structure for employees hired after April 2, 2012. In addition, other changes addressed statutory situations that were in need of repair such as spiking or “king for a day.” The end result is a system that is more contemporary in meeting the fiscal requirements of the 21st century in the area of public pension construction and administration.

With major reforms already instituted, there have been fewer instances of major

changes to pension law initiated by the legislature in recent years. Statutory fine-tuning and reshaping at the margins, however, continue unabated. Indicative of this context, having achieved its long-sought retirement board governance reforms as parts of Chapter 176 of the Acts of 2011, the PERAC Commission has lately been occupied with implementing the wide-ranging and administratively rigorous reforms mandated in that Act.

These included for the first time mandatory continuing education requirements and filing of Statements of Financial Interest by retirement board members and the filing of significant new documentation by board service providers. Mandatory new extensive procurement requirements are also part of these reforms. The result has been greatly enhanced transparency, openness and professionalism in retirement board administration.

Meanwhile, PERAC’s legislative focus

has also evolved during this period. The agency has continued its ongoing efforts in seeking meaningful yet incremental changes to Chapter 32. These changes, while far less expansive than the Chapter 176 reforms, nevertheless represent the Commission’s ongoing goal of review, revision and refinement of Massachusetts pension law. These initiatives arise due to legislators, Commission members, staff, retirement board members, attorneys, and other constituencies suggesting issues worthy of consideration, evaluation, and possible legislative redress to the Commission.

Many legislative initiatives originate in PERAC’s Legal Unit, which is on the front lines on a daily basis dealing with retirement boards and employee/retiree pension issues. The Commission reviews these initiatives and considers if their enactment would ultimately enhance Chapter 32. *(Continued, next page)*

### The 2017-2018 Session Sick Leave Cap Proposed

Pension issues have generally garnered far less attention this session than in some preceding sessions. Having completed three major reform Acts in the previous decade, the legislature and successive administrations have turned their attention to other major issues that require their focus. This actuality is reflected in the dearth of pension-reform related issues in Governor Charlie Baker's FY'19 Budget, H. 2.

Included in H. 2, the Governor's major proposal dealing with retirement (not technically pensions) is to seek to initiate a cap on accrued sick leave time that can be cashed in by state employees upon retirement. In this budget submission, the Governor proposed capping the number of hours for state employees who do not yet have 1000 hours of accrued sick time at 1000 hours - while freezing the total at current amounts for those who already exceed the 1000 hours. This initiative has been underscored to a great extent by several extremely large sick leave

payouts - including to higher education senior employees.

Besides this proposal, the 2017-2018 legislative session has been one of relative quiet on the pension front while other major issues necessitating the legislature's attention take precedence. Should this situation change in the ensuing months of the session, PERAC will continue to keep you informed of any late-breaking major pension related legislative initiatives. ■

## UPDATE: PERAC 2017-18 Legislation *(continued from page 1)* PERAC's H. 19 Receives Favorable Report from the Public Service Committee

---

### H. 19: AN ACT PROVIDING FOR CONTINUING EDUCATION CREDITS FLEXIBILITY

The objective of H. 19, the remaining bill under consideration, is to allow retirement board members more flexibility in earning their continuing education credits. The Commission has found that on occasion a member may meet the technical requirements of earning 18 hours of continuing education for their 3-year term of office but may not have met the requirement that at least 3 credits be earned each year. Completing the full 18 hours of continuing education training within three years certainly meets the spirit and the overall intent of the law.

PERAC feels that having the flexibility to exempt retirement board members from the letter of the law - in exactly how they meet the 18 hour requirement - makes sense.

Situations in which a member may have earned the required 18 credits

**H. 19 is based on  
compassion, consideration  
and concern for retirement  
board members - and  
PERAC hopes that it will  
reach Governor Baker's  
desk and be signed into  
law before the end of the  
current legislative session.**

but not done so exactly as prescribed in the current statute occur and they thus could be precluded from serving any subsequent additional terms on the board. This was not the intent of the original language.

Under H. 19, a board member may petition the commission for a waiver of the yearly hours restrictions due to extenuating circumstances - provided that the member completes the entire required 18 hours of training during their term.

This bill will provide the Commission with the flexibility where appropriate on a case-by-case basis to make exceptions to the timeframe of how the hours of training were earned.

PERAC has been in constant communication with the legislature and will continue its vigorous efforts to advance the bill this session. While the bill allows for some flexibility in how board members meet the 18 hour requirements of continuing education - it will not in any way reduce the necessity of meeting that requirement. It would allow flexibility in situations where circumstances such as illness warrant an exemption, as determined on a case-by-case basis by the Commission.

H. 19 is based on compassion, consideration and concern for retirement board members - and PERAC hopes that it will reach Governor Baker's desk and be signed into law before the end of the current legislative session. ■

## IN MEMORIAM: Joannah M. Quinn

*Timothy Dooling*  
*PERAC Commissioner*  
*and*

*Joseph Connarton*  
*PERAC Executive Director*

The retirement community recently lost a dear friend and colleague, Joannah M. Quinn, who passed away on May 8, 2018. Joannah attended Marian High School in Framingham and went on to graduate from Regis College in Weston, and then Suffolk University Law School in Boston.

Although a proud Massachusetts native, Joannah spent time living and working in Washington, D.C. and Los Angeles. After college, she worked in the office of Ohio Senator John Glenn in D.C. Upon law school graduation, she moved to Los

Angeles and worked for Sony Pictures for several years where she developed her expertise in contract review.

She joined the Office of the State Auditor in 2011 and quickly developed a reputation as a talented lawyer and beloved colleague. Joannah served with distinction as Auditor Bump's designee on the Massachusetts Teachers' Retirement Board, receiving the Pioneer Award from Auditor Bump for her efforts last year championing and developing OSA's data use and protection policy. Periodically, she also served as Auditor Bump's designee on PERAC, where she demonstrated a true understanding of the complexity of c. 32.

She will be missed for her legal acumen, her quick wit, but mostly for her kindness and selflessness. Although she had strug-



gled for many years with health related issues, she never complained and rarely discussed her unimaginable burdens.

On behalf of the Commission and its staff, we can honestly say Joannah's presence, intellect, and ready sense of humor will be greatly missed by all of us. ■

**SAVE**  
the **DATE**

PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

**14th**  
**EMERGING**  
**ISSUES**  
**FORUM**

**where:** **Hogan Conference Center**  
College of the Holy Cross, Worcester, MA

**when:** **September 13, 2018**  
9 am to 3 pm  
Look for Registration Materials this Summer!

**note!** Attendance = **3** educational credits for Board Members



**Philip Y. Brown, Esq.**  
*Chairman*

**The Honorable Suzanne M. Bump**  
*Auditor of the Commonwealth*

**Kathleen M. Fallon**  
*Practice Area Director*  
*Public Consulting Group*

**Kate Fitzpatrick**  
*Town Manager*  
*Needham*

**James M. Machado**  
*Sergeant*  
*Fall River Police Department*

**Robert B. McCarthy**  
*President Emeritus of the Professional*  
*Firefighters of Massachusetts*

**Jennifer F. Sullivan**  
*Assistant Secretary for Capital Finance*  
*Administration & Finance*

**Joseph E. Connarton**  
*Executive Director*

**Michael DeVito**  
*Editor*

**Public Employee Retirement Administration Commission** | Five Middlesex Avenue, Suite 304, Somerville, MA 02145  
Phone 617 666 4446 | Fax 617 628 4002 | Web [www.mass.gov/perac](http://www.mass.gov/perac)